



February 27, 2004

Jennifer J. Johnson, Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue, NW  
Washington, D.C. 20551

Subject: Docket Number R-1176

Dear Ms. Johnson:

Security Service Federal Credit Union has reviewed the subject, and respectfully offer our comments for Federal Reserve Board consideration. We support the proposed rules, and believe these regulations will benefit our institution and its members.

Pursuant to the Board's request for specific comments regarding two alternative proposals in section 229.57(b)(2), we support alternative two, which provides that a financial institution that sends a substitute check in lieu of the original check must give disclosure at the time the substitute check is provided. Compared to alternative one, which requires that disclosure be provided at the time a consumer requests a substitute check, we believe that compliance under alternative two is more easily achieved without reducing the disclosure's effectiveness.

Thank you for considering the comments of Security Service Federal Credit Union. If you have any questions or require clarification, Chief of Staff Howard Baker or I am available at your convenience at (210) 476-4550.

Sincerely,

A handwritten signature in black ink, appearing to read "David E. Reynolds".

**DAVID E. REYNOLDS**  
President & CEO